Foreign CROPS AND MARKETS

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CONTENTS

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NEW MAILING LIST

FOREIGN DISPOSAL OF FARM COMMODITIES

The Foreign Agricultural Service is establishing an informational mailing list as a service for United States agricultural trade interests who need to keep currently informed regarding the operation of the new farm commodity foreign disposal program under Title I, Public Law 480.

This mailing list (code designation FAS-FSD) will be used for distribution from time to time of press releases, administrative announcements, regulations, progress reports and miscellaneous news about the disposal program. Such material will be of special interest to persons and groups engaged in agricultural export activities.

Individuals and organizations in the United States requesting information will receive it without cost. Requests should be addressed to the Foreign Agricultural Service, U. S. Department of Agriculture, Washington 25, D. C. For convenience, this page, with the address blanks below filled in, may be mailed in to indicate your desire to be placed on the FAS-FSD list.

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FOREIGN CROPS AND MARKETS

Published weekly to assist the foreign marketing of U. S. farm products by keeping the nation's agricultural interests informed of current crop and livestock developments abroad, foreign trends in production, prices, supplies and consumption of farm products, and other factors affecting world agricultural trade. Circulation is free to persons in the U. S. needing the information it contains.

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GRAIN TRADE NOTES

Japan's 1954-55 Wheat Import Requirements: Japan's 1954-55 wheat import needs continue to be estimated at 1,758,000 metric tons with the United States, Canada and Argentina expected to continue as principal sources of supply. Australia is not likely to figure as an important supplying country because of the heavy inbalance of trade with that country. Japan has an agreement with Argentina for 300,000 tons of wheat, but its implementation will depend on the conclusion of satisfactory barter arrangements. It is understood that Japan has informally agreed to purchase at least 550,000 tons from Canada during 1954-55. Purchases from the United States are not expected to fall below the 1,191,000 tons imported during 1953-54.

Iran Prohibits Wheat Exports: The Iranian Council of Ministers on September 25 cancelled an earlier authorization which would have permitted the exportation during 1954-55 of 100,000 metric tons of wheat. There is probably sufficient wheat in Iran to allow exportation of the full 100,000 tons originally authorized. However, in parts of the country where the 1954 crop was smaller than a year ago certain interests emphasized the local shortage to such an extent that prices increased sharply. Because of this development, and the fact that transportation facilities make it somewhat difficult to move wheat from surplus to deficit areas, the Government has now placed an embargo on wheat exports.

Angola's 1954-55 Corn Exports: Angola's 1954-55 corn crop is expected to provide an exportable surplus of 85,000 metric tons. All corn in excess of domestic requirements must be sent to Portugal if needed there. In recent years, however, substantial quantities have been sent to Germany, the United Kingdom, Belgium and Luxembourg. The quality of Angola's corn has proven satisfactory in European markets.

Danish 1954-55 Grain Import Requirements: Because of a shortfall in the harvest and increased livestock numbers on farms, Danish grain import requirements during 1954-55 are expected to reach a record high of between 1.0 to 1.4 million metric tons. Imports at the level currently estimated would be about two and one-half times larger than in any year since the war. Wheat imports are expected to range between 150,000 and 200,000 metric tons. The balance of the import requirements will consist of coarse grains. The ability of the United States to share in the imports will depend to a considerable extent on the availability of dollars. While there are indications that the Government may permit the use of dollars for the importation of wheat and rye, the belief is that its present policy of directing purchases of coarse grains from the soft currency or sterling area will be continued for some time.

Japan's 1954-55 Barley Import Needs: Japanese import requirements for barley during 1954-55 (April-March) may fall somewhat under the Government's original estimate of 954,000 metric tons because of the record crop harvested this year. Mixed with rice, barley is used mainly for human food in Japan. During 1953-54 (July-June), Japan imported 835,000 tons of barley. Canada supplied 410,000 tons, Australia, 241,000 tons, and the United States, 175,000 tons. The balance came from French Morocco.

Belgium's 1954-55 Grain Import Needs: Reduced yields for all grains and the poor milling quality of this year's wheat crop in Belgium have resulted in a substantial increase in that country's grain import requirements. The 1954-55 import needs are currently estimated as follows: wheat, 680,000 metric tons; rye, 100,000 metric tons; barley, 400,000 metric tons; corn, 410,000 metric tons; and oats, 110,000 metric tons.

Australia Winding Up No. 16 Wheat Pool: The recent sale of 4,000,000 bushels of wheat to India and expectations that a similar quantity would be booked for India at an early date disposes of practically all supplies of 1952-53 crop grain remaining in the No. 16 wheat pool. In order to expedite clearance of these old stocks, the Australian Wheat Board sold on a submitted sample instead of the traditional f.a.q. basis, and at somewhat lower prices than for grain in the No. 17 (1953-54 crop) pool.

Australia's 1953-54 Wheat Exports: Wheat exports from Australia during the 12-month period July-June of 1953-54 totaled 1,903,020 long tons (71 million bushels) compared with 2,663,561 tons (99.4 million bushels) during the corresponding months of 1952-53. The decline was due mainly to greatly reduced exports to European countries which, in the aggregate, took only 520,000 tons against 1,112,000 tons a year earlier. Sales to Asiatic markets also declined, totalling only 961,000 tons against 1,229,000 tons in 1952-53.

Canada's 1953-54 Grain Exports: The total export movement of Canadian grains during 1953-54 (July-June) amounted to 11,692,000 long tons compared with 14,475,000 tons a year earlier. The quantities of the individual grains exported during the year compared with those for 1952-53, shown in parentheses, were as follows: wheat, 6,436,000 (8,977,000) tons; wheat flour, grain equivalent, 1,275,000 (1,529,000) tons; rye, 444,000 (253,000) tons; corn, 36,500 (15,000) tons; oats, 1,225,000 (1,122,000) tons; and barley, 3,537,000 (2,580,000) tons.

Argentina's 1953-54 Grain Exports: Grain exports from Argentina during 1953-54 (July-June) reached their highest level since 1947-48, totalling 6,618,000 long tons compared with only 1,710,000 tons in 1952-53 and with the postwar peak of 7,018,000 tons in 1947-48. The 1953-54 export movement of the individual grains compared with those for 1952-53, shown in parentheses, were as follows: wheat, 2,906,000 (784,000) tons; rye, 1,000,000 (31,000) tons; corn, 1,294,000 (626,000) tons; oats, 601,000 (64,000) tons; and barley, 815,000 (204,000) tons.

United States' 1953-54 Grain Exports: Total exports of grain and grain products from the United States during 1953-54 amounted to 9,311,000 long tons, grain equivalent, compared with the 1952-53 total of 12,975,000 tons. The year's exports of individual grains compared with those for 1952-53, shown in parentheses, were as follows: wheat and wheat flour, including flour not wholly of United States wheat, 4,897,247 (8,678,782) tons; rye, 186 (7,990) tons; corn, 2,776,930 (3,151,743) tons; oats, 49,195 (58,715) tons; barley, 394,868 (794,001) tons; and grain sorghums, 208,588 (283,514) tons.

Denmark Restricts Grain Exports: Grain exports during the 1954-55 marketing season will be restricted due to the necessity for large imports of feedstuffs, according to a September 22 announcement by the Danish Ministry of Agriculture. The export restrictions, effective immediately, require individual licensing for exports of wheat, rye, barley, and oats from the current crop.

Iran Places Restrictions on Barley Exports: In order to export barley during 1954-55, Iranian exporters must sell an equal quantity to the Government at a low fixed price, ranging from 1,250 to 3,000 rials per ton ($0.33 to $0.80 per bushel) depending on the locality. The exchange proceeds of such exports must be used exclusively for the importation of agricultural and irrigation equipment. As a consequence of these restrictions, there is expected to be little incentive for the export of barley from the 1954-55 crop.

Spanish Producer Prices for Grain: Fixed producer prices for 1954-55 crop wheat and rye and guaranteed minimum producer prices for coarse grains have been set by the National Wheat Service at approximately the same levels as last year. The National Wheat Service, the sole authority for the marketing of breadgrain, will purchase first class (hard) wheat at 402 pesetas per metric quintal ($2.81 per bushel) and commercial grade rye at 275 pesetas ($1.92 per bushel). Premiums and discounts are provided for breadgrain of other classes and qualities. In addition, payments for farm storage are provided to encourage orderly marketing. Coarse grains may be sold on the open market but the Wheat Service guarantees minimum prices by agreeing to purchase all commercial grades at the following basic prices in pesetas per metric quintal: barley, 220 ($1.54 per bushel); oats, 180 ($1.26 per bushel); and corn, 230 ($1.61 per bushel). In addition, premiums and discounts are provided for quality factors.

French Producer Price for Hard Wheat: The basic producer price for the 1954-55 hard wheat crop in France has been fixed at 3,910 francs per quintal ($3.04 per bushel). Premiums and reductions will be applied to the base price for quality factors. As usual, this price has been fixed at a level that is 15 percent higher than that for soft wheat. After deducting prescribed marketing taxes and assessments, the farmer will receive a net basic price of 3,848 francs per quintal ($2.99 per bushel) for the first 50 quintals delivered, and 3,843 francs per quintal ($2.98 per bushel) for the remainder. In addition, he will receive a storage premium of 12.5 francs per quintal (1 cent per bushel) for each two weeks that he stores wheat between August 16, 1954 and May 15, 1955.

Sweden Proposes Reduced Producer Prices for Grain: A reduction in producer grain prices for the 1955-56 crop year has been proposed by the Agricultural Marketing Board, an agency of the Swedish Government. According to the proposal, the Government support price as of April 1, 1956 would be 40 krona per quintal ($2.10 per bushel) for wheat and 35 krona ($1.72 per bushel) for rye. Guaranteed prices for the current crop for April 1, 1955 are 44.75 krona per quintal ($2.35 per bushel) for wheat 39.75 krona per quintal ($1.95 per bushel) for rye.

In operation, the guaranteed producer price is fixed as of April 1 of each year, with the price up to that date left to market determination. In actual practice, market prices are based on the guaranteed price fixed by the Government, less storage and interest discounts.

Algeria's 1954-55 Barley Exportable Surplus: The exportable surplus of barley in Algeria for the current (1954-55) marketing season is estimated at 130,000 to 150,000 metric tons. It is anticipated that Germany, the United Kingdom and Metropolitan France will be the principal purchasers. Last year (1953-54) Algeria exported only 57,692 tons of barley. Of that quantity, 36,319 tons went to France, 5,243 tons to Denmark and 4,926 tons to Germany. The 1954 barley crop was estimated in mid-August at 810,000 metric tons compared with 722,531 tons a year earlier. Barley stocks on June 30, 1954 were placed at 7,057 tons against 3,815 tons on the same date in 1953.

Belgian Fixed Price for Wheat: Once a year, before crop time, the Government of Belgium fixes the minimum or so-called "directional price" which millers must pay farmers for their wheat, according to the U. S. Department of Agriculture's grain marketing specialist in Europe. The average price to be paid for this year's (1954-55) crop is B. Fr. 470 per 100 kilos ($2.56 per bushel) delivered to mills. Early in the marketing season, the minimum price is B. Fr. 450 ($2.45 per bushel), but as time goes on it is increased to a maximum of B. Fr. 490 ($2.67 per bushel) to encourage farm storage in the interest of orderly marketing. The Government has already announced that the average price for next year's (1955-56) crop will be B. Fr. 420 per 100 kilos ($2.29 per bushel). The percentage of home-grown wheat to be included in flour is also fixed from time to time by the Government. Until mid-August the figure was 35 percent, but recently it was raised to 45 percent, where it will probably remain until the homegrown crop is completely absorbed. Thus, the Belgian farmer is assured of a market for his wheat at a guaranteed minimum price.

U. S. Imports of Grain and Grain Products: United States imports of grain and grain products during 1953-54 compared with 1952-53, the latter shown in parentheses, were as follows: Wheat for grinding in bond and export to Cuba, 25,607 (150,134) bushels; wheat for grinding in bond and export to countries other than Cuba, 3,063,537 (6,264,882) bushels; full duty wheat for domestic use, 999,039 (1,016,013 bushels; wheat unfit for human consumption, 4,299,598 (20,385,500) bushels; wheat flour, 5,787,064 (5,017,802) pounds; rye, 13,467,791 (5,564,142) bushels; corn, 950,991 (905,688) bushels; corn for seed, 42,965 (47,010) bushels; oats, 78,757,522 (67,706,640) bushels; unhulled ground oats, 31,771,515 (27,199,950) pounds; oatmeal and rolled oats, oat grits, etc., 60,494 (483,909) pounds; barley, 36,469,445 (23,163,282) bushels; pearl barley, 624,700 (416,247) pounds; barley malt, 61,392,974 (58,834,239) pounds; and buckwheat, 358,130 (2,979,520) pounds. Except in the case of corn and oatmeal, virtually all of the 1953-54 imports came from Canada. The bulk of the corn imports came from the Dominican Republic and Cuba; most of the oatmeal from the United Kingdom and Ireland.

FRENCH CRIMSON CLOVER ESTIMATE RAISED

The estimated size of the 1954 crimson clover seed crop in France has now been raised to 10 million pounds, the same as the 1953 crop. In spite of very unfavorable weather the crop has turned out much better than earlier forecasts.

A 10-million-pound crop will provide about $5\frac{1}{2}$ million pounds for export and carry-over. According to the American Embassy in Paris, about 2.4 million pounds were shipped to the United States and 2 million to other countries. The United States imported less than 350 thousand pounds in the 12 months ending July 1, 1954.

1954 FOREIGN RAISIN AND CURRANT PACKS DOWN

Preliminary estimates of the 1954 raisin pack in the leading producing countries abroad indicate a crop of 297,800 short tons, a 4 percent decrease from the 309,600 tons (revised) produced in 1953.

The Australian pack of Sultanas and Lexias, combined is down from 90,700 tons in 1953 to 84,700 tons. The 1954 Turkish pack is tentatively estimated at 75,000 tons compared with 79,400 tons last year. The Greek raisin pack is indicated at 46,300 tons in comparison with the previous crop of 49,600 tons. Iran is the only large producing country where the crop is not expected to be lower. An Iranian pack of 54,000 tons is estimated for 1954, a slight increase over the 52,900 tons reported for last year.

A decline in the commercial production of dried currants abroad is also indicated. The estimated 1954 output in Australia, Greece, and South Africa combined is expected to total 98,600 short tons, or 6 percent less than the 104,500 ton (revised) outturn in 1953. Greek production in 1954 and in 1953 are estimated at 82,700 and 84,900 tons respectively. The 1954 and 1953 Australian packs are reported as 14,800 tons and 18,500 tons respectively. The minor South African crop is the same as last year, 1,100 short tons.

WORLD PRODUCTION OF SUGAR BEETS DOWN IN 1954

World production of sugar beets in 1954 is expected to decline about 2 percent from the record 115 million short tons of 1953, according to information available to the Foreign Agricultural Service. The majority of the countries producing sugar beets maintained or increased beet acreages this season. However, in Western Europe average yields were lowered approximately 11 percent from the high yields of the previous year by late planting, a dry spring and excess rain during the summer.

SUGAR BEETS: Acreage and production in specified countries averages 1935-39 and 1945-49, annual 1952-54

Continent and country	Acreage 1/ Average 1935-39	Acreage 1/ Average 1945-49	Acreage 1/ 1952	Acreage 1/ 1953	Acreage 1/ 1954 2/	Production Average 1935-39	Production Average 1945-49	Production 1952	Production 1953	Production 1954 2/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 Sh. tons	1,000 Sh. tons	1,000 Sh. tons	1,000 Sh. tons	1,000 Sh. tons
NORTH AMERICA										
Canada	50	66	93	82	91	504	690	1,023	900	945
United States	827	755	665	745	879	9,595	10,262	10,169	12,084	13,593
Total	877	821	758	827	970	10,099	10,952	11,192	12,984	14,538
EUROPE										
Austria	102	49	103	91	106	1,202	322	966	1,213	1,279
Belgium	124	119	158	146	140	1,603	1,626	2,418	2,645	2,190
Denmark 3/	98	117	179	148	137	1,657	1,790	2,254	2,741	1,900
Finland	10	13	27	25	42	96	116	250	329	409
France	791	715	1,046	1,019	990	9,976	7,942	10,476	13,819	12,346
Germany-Wn. Zone	335	355	549	554	628	4,900	4,010	7,546	9,739	9,900
Ireland	55	70	54	65	74	590	672	639	920	825
Italy	312	231	549	520	541	3,422	2,640	6,507	6,925	6,471
Netherlands	106	111	156	168	196	1,760	1,888	3,075	3,407	3,153
Spain	161	188	457	269	272	1,245	1,586	4,579	3,086	3,108
Sweden	128	126	133	126	146	2,089	1,909	1,760	2,201	2,207
Switzerland	6	14	15	15	15	91	206	226	241	230
United Kingdom 4/	344	415	395	403	433 4/	3,395	4,401	4,745	5,902	5,096
Yugoslavia	77	159	188	207	203	658	1,041	565	1,669	1,598
Total above	2,649	2,682	4,009	3,756	3,923	32,684	30,149	46,006	54,837	50,712
Total other Europe 5/	1,520	1,750	2,359	2,435	2,460	18,402	13,331	19,558	20,320	20,785
Total Europe	4,169	4,432	6,368	6,191	6,383	51,086	43,480	65,564	75,157	71,497
U.S.S.R.	3,096	2,492	3,500	3,875	3,950	19,982	12,830	20,500	25,000	25,000
OTHER COUNTRIES										
Iran 5/	35	63	106	109	110	144	265	534	586	590
Japan	42	34	33	38	40	310	105	294	355	310
Turkey 5/	63	115	119	127	178	434	724	1,178	1,290	1,653
Uruguay	3	6	10	11	11	16	20	83	100	110
Total	143	218	268	285	339	904	1,114	2,089	2,331	2,663
Grand Total	8,285	7,963	10,894	11,178	11,642	82,071	68,376	99,345	115,472	113,698

1/ Area estimates are for harvested areas unless otherwise stated.
2/ Preliminary.
3/ Includes the following grown in Denmark and processed in Sweden: about 7,000 acres and 59,000 tons in 1952; and about 8,000 acres and 137,000 tons in 1953.
4/ Topped beets.
5/ Harvested for sugar only.

Office of Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of U. S. Foreign Service officers, results of office research and other information. Estimates of countries having boundary changes have been adjusted to postwar boundaries.

Acreage available for harvest in the United States increased this season by almost 18 percent. Although yields declined from the extremely favorable yields of last season, beet production is expected to reach 13.6 million short tons, or 12 percent more than in 1953. Production in Canada followed the United States pattern with an 11 percent increase in acreage and an expected 5 percent increase in production.

The 1954 beet acreages in Western Europe approached the record acreages of 1952. Small acreage declines in Belgium, Denmark, France and Yugoslavia were more than offset by increases in other areas of Western Europe, particularly in Western Germany. On the other hand, generally unfavorable weather conditions resulted in late sowings, dry weather in the spring affected adversely the early beet growth, and summer rains resulted in heavy foliage and reduced beet weights. A decline in sugar content this season will combine with lower beet yields to produce a rather mediocre sugar crop for such large acreages.

Reports from Eastern Europe are somewhat more optimistic than these from the neighboring areas of the west. All producing areas of Eastern Europe are expecting to maintain or increase production of sugar beets this season on acreages which have increased slightly for the region as a whole. It is believed that the U.S.S.R. increased acreages again this season and last year's production level will be maintained.

In Asia, Turkey anticipates a 28 percent increase in beet production on acreages which have been increased by more than 40 percent. As in Western Europe, weather conditions reduced the potential output, particularly on nonirrigated lands. Iran expects a slightly larger crop this year on slightly increased acreages. Japan anticipates a decline in production on slightly expanded acreages.

HIGH MILK PRODUCTION CREATES PROBLEMS IN CUBA

Well-distributed rainfall throughout most of 1954 has given Cuba better than average pasture conditions and an expected milk production for the year of approximately 15 percent over last year's output of 1,376 million pounds; this record milk production will be attained even with producers themselves restricting production because of the inability of milk processing plants to handle deliveries.

As a result of the inadequate processing and marketing facilities the price of fluid milk for manufacturing purposes has varied from an official $3.85 per cwt. to a competitive low of $2.04. Early in the spring farmers and condensery officials reached an agreement whereby the manufacturers would take all the milk of regular suppliers at $3.57 a cwt. but an occasional delivery would bring only $2.04 to $2.72 a cwt.

In an effort to stabilize the production and price of condensed milk, the Ministry of Commerce has issued Resolution No. 77 prohibiting the production or importation of condensed milk until each firm has registered with the Department of Commerce and has agreed to furnish the Ministry monthly data and has obligated itself to hold in permanent reserve a minimum of 20 percent of all condensed milk, whether locally produced or imported. In 1953 five Cuban firms were licensed to produce condensed milk, one firm to put out the evaporated product, and four to make powdered milk.

The production of cheese and butter is considerably above 1953 levels and the Cuban government has authorized the export of locally produced butter and cheese; however, no export sales have been made to date.

LIVESTOCK CENSUS IN IRAQ

The results of an agricultural census in Iraq have been published which should give a more accurate picture of livestock numbers in that country. In past years there have been no accurate figures available on livestock numbers. Prior to 1939 livestock numbers were obtained from the tax rolls which admittedly were too low. The first census of agriculture and livestock, based on small samples, was attempted in 1944, and a few have been held since then. These have been described, at best, as being well informed estimates.

The preliminary report of the 1952-53 census, conducted from June 1952 until the following summer, has recently been released. This is the first agricultural and livestock census in Iraq to cover all holdings with trained enumerators. Although this census may be more accurate than past estimates, it cannot be compared with them as it covers only agricultural holdings, defined as any farm or agricultural estate worked or organized as a unit. Thus it excludes the large numbers of livestock kept by nomadic tribes, groups or families having no farms or pastures of their own. Considerable data has been collected on these nomads, and such data may be published in the final report of the census.

IRAQ: Livestock on Holdings, 1952-53 1/

Type	Total Number
Cattle	711,918
Buffaloes	47,395
Sheep	4,484,156
Goats	1,618,145
Horses	137,446
Asses	398,798
Mules	56,673
Camels	37,696

1/ Excludes livestock held by nomads.

Source: Iraq Bureau of Statistics.

A large portion of the population of Iraq depends solely on livestock, and the economy of the entire nation is strongly influenced by the condition of the livestock industry. Buffaloes are kept for their milk near the centers of population, and the nomadic tribes have large numbers of sheep and some camels. The latter are used by the Bedouin nomads for transportation, hair and milk. Meat production takes place mostly in the form of local livestock slaughter, and the published slaughter statistics cover only an estimated 50 percent of Iraq's slaughter. Exports of live animals have ranged between 100,000 and 150,000 head a year since World War II. Sheep exported to other Middle East countries form the bulk of these numbers. Wool, hides, skins and mohair are also exported.

SHEEP NUMBERS INCREASE IN AUSTRALIA

For 7 consecutive years sheep numbers in Australia, the world's largest producing country, have increased and a further gain is in prospect this year. The Commonwealth statistician estimated the number on farms in Australia on March 31, 1954 at an all-time high of 127.2 million head. The number on hand was 4 million or 3 percent greater than a year earlier and 31.5 million more than in early 1947. Numbers increased last year in each state except South Australia. In South Australia the decrease was nearly 2 percent. The increase in 1953 was less than had been indicated earlier due to large death losses as a result of droughts and poor grazing conditions generally. Losses of sheep and lambs during the year 1953-54 were estimated at 7 million head or 2 million greater than a year earlier.

Grazing conditions during the winter just passed have only been fair but the condition of ranges and pastures during the next 6 months will largely determine the quality and output of the 1954 lamb crop.

YUGOSLAVIA'S MEAT EXPORTS TO ISRAEL INCREASING

Exports of cattle and meat from Yugoslavia to Israel have recently begun to assume significant proportions and further increases are expected following the conclusion of a new trade agreement between the two countries. Exports from Yugoslavia have been possible during the past two years as meat supplies have increased from their former low levels. For several years Israel has continued to import significant quantities of meat, including small amounts from the United States.

Under a new trade pact signed July 24, Yugoslavia agreed to export cattle, frozen meat and 1,500 head of horses valued at $830,000; other meat products, sheep for breeding, dressed poultry, canned fish and salted casings amounting to $90,000 during the year of the agreement. The most important items to be exported from Yugoslavia under the $3,500,000 agreement were timber products with food, fodder, chemicals, minerals, equipment and machinery making up smaller parts of the total.

Exports from Israel to Yugoslavia will largely be industrial and chemical products, including tires, tubes and auto parts. Shipments of fruit and fruit products, essential oils and olive oil amounting to $300,000 have been agreed upon as well as $110,000 of sisal and sisal products, wool, wool tops, waste and yarn.

No meat was shipped from Yugoslavia to Israel in 1952, but exports began during 1953. During January-May 1954 shipments had already exceeded the 1953 total. Yugoslav exports of dressed meat to all countries during 1953 were reported at 3.6 million pounds; they were mostly pork which was shipped to France, Italy and Trieste. Exports of live animals to all countries during 1953 were much greater than the exports of dressed meat and were probably equivalent to 35 to 40 million pounds of carcass meat. These shipments included 53,000 cattle and calves, 195,000 sheep and goats and 26,000 hogs.

Israel continues to be a fairly large importer of meat with foreign supplies making up a very large share of its requirements. Meat supplies continue inadequate for general distribution, meat is rationed and prices are high. Beef is being imported from Eritrea and Argentina. United States exports of beef to Israel during 1953 totaled 258,000 pounds.

NEW DANISH MEAT
CANNING FACTORY

A new meat canning plant was opened on September 25th at Brabrand, near Aachus, Denmark. It represents a venture by 19 Danish cooperative slaughterhouses which began joint meat canning activities through a company operating under the name of Jydske Andelsslagteriers Konservesfabrik, popularly abbreviated to JAKA. All of the participating slaughterhouses are located in Jutland and represent approximately one-fourth of Denmark's total slaughterhouse capacity.

The new plant, which has cost the equivalent of $869,000 to construct, is described as a highly modern and well-equipped plant. It has a capacity for processing a maximum of 22 million pounds of meat annually, which will leave a net production of 18 million pounds of canned meat products. It is understood that the factory is to operate exclusively for export and that a principal portion of its output will consist of canned hams for United States and British markets. The company employs 100 people at present and will employ 250 when production reaches its full capacity.

The new factory constitutes a parallel to the meat-canning plant established in 1945 by a group of slaughterhouses on Zealand. The latter factory is located at Roskilde and operates under thename of Danske Andelsslagteriers Konservesfabrik, abbreviated to DAK.

The establishment of these factories is indicative of continuing efforts of Danish meat packers to develop export sales of canned meat products.

NEW ZEALAND MEAT PRICE SUPPORT PLAN DEFERRED

The New Zealand Government has decided not to place a meat price support program into effect at the present time. A scheme to support prices received by meat producers had been drawn up by a committee of Government officials and producers representatives, but the Cabinet has not agreed to introduce the program (see Foreign Crops and Markets September 27, 1954).

The scheme is believed to have provided for floor prices on meat exported. The financial support was to come from the Meat Industry Reserve Funds which amount to the equivalent of 110 million dollars. Meat exports would have been made at market prices in countries of destination and the difference between actual returns and the guaranteed floor price made up to producers as direct payments.

Producer spokesmen have strongly objected to the failure of the Government to introduce the support program for the season which began October 1.

ARGENTINE DAIRY SITUATION

Production of milk and dairy products during the first half of 1954 remained at a high level in Argentina. Pastures in this period were generally good throughout the dairying areas. Excessive rains in July and August hampered grazing and milk production declined more than seasonally but with an improvement in both weather and pasture conditions in September, milk production in the final quarter of 1954 should exceed comparable 1953. Total production for the current year is expected to show an increase over a year ago.

Output of creamery butter in 1954 will probably reach 143.3 million pounds, a gain of approximately 12 percent over 1953. Exports of butter from January through June of this year were 26.1 million pounds, compared with 15.3 million pounds in the corresponding period of 1953. The United Kingdom and Soviet Russia have been the principal buyers to date in 1954, the former taking 12.4 million pounds, the latter 9.4 million pounds. In order to avoid a possible butter shortage in the Argentine market, no export permits were issued from July through September, and stocks in the hands of producers have been increasing. Final quarter butter production is expected to be ample enough to meet both domestic and export requirements.

Cheese production in Argentina in 1954 probably will at least equal the 1953 output of 242.5 million pounds. Exports in the first half of this year were 4.4 million pounds, a decline of about 6 percent below exports for the same period of 1953. The outlook is favorable for both production and trade during the remainder of the year.

Casein output in 1954 is estimated at 88.2 million pounds, compared with 77.2 million pounds in 1953. Over 70 percent of Argentina's casein production is normally exported, by far the largest quantity generally going to the United States. Total casein exports in the first 6 months of this year amounted to 48.3 million pounds. In the same period of 1953, exports totaled 33.2 million pounds.

HOG NUMBERS INCREASE
IN FORMOSA

The Fourth General Report of the Chinese-American Joint Commission on Rural Reconstruction reports a 98 percent increase in Formosa's hog numbers from 1950 to 1953. The JCRR began importing purebred Berkshire hogs in 1950 at which time there were 1,362,000 hogs on the island. Since then the hog population has increased to 2,700,000 of which 85 percent are hybrids sired by the imported Berkshires.

Sows from a superior native stock will be crossbred with Berkshire boars to supply better hybrid pigs for marketing. Since the 1950 imports of Berkshires a total of 3,430 purebred hogs have been produced on the 8 provincial livestock farms. Most of these have been sold to farmers and their associations, a few being retained to maintain the breeding stock.

Pork has always been the most popular meat with Formosan consumers and with fish, furnishes the bulk of the animal protein in their diets. Hogs have long been used in conjunction with the island's sweet potato industry which supplies carbohydrates, roughage and vitamins for the animals. Hogs are also highly valued as a method of utilizing household and farm food wastes and for the fertilizer they produce. A shortage of protein feed has long been an important factor in holding down pork production.

Before World War II Formosa had about 2,000,000 hogs and as many as 7,500 Berkshire breeding hogs were provided by the Government for the improvement of the native stock. The Joint Commission on Rural Reconstruction, which has been operating in Formosa since moving there from the Chinese mainland in 1948, has made many important contributions in reviving Formosa's hog industry from the very low levels of the war years.

1954 WORLD MILK PRODUCTION

While milk production in the principal dairy countries of the world will be higher in 1954 than in 1953, the rate of increase has been checked somewhat. In 1953 milk output jumped more than 18 billion pounds above the 1952 production of 16 leading dairy countries of the world; the estimated increase from 1953 will be a little more than 9 billion pounds. The reduced rate of increase can be attributed not to any general adverse factors so much as to the fact that 1953 was an extremely good year in all respects for dairying.

MILK 1/: ESTIMATE OF 1954 PRODUCTION IN IMPORTANT PRODUCING COUNTRIES, WITH COMPARISONS

Countries		Averages 1934-38		Averages 1946-50	1952	1953	1954 2/
		Million Pounds		Million Pounds	Million Pounds	Million Pounds	Million Pounds
Canada	3/	15,284		16,844	15,735	16,425	16,920
United States		105,416		117,297	115,597	121,519	125,200
Austria	4/	5,602		3,726	5,095	5,161	5,285
Belgium		6,790		6,219	7,368	7,793	7,950
Denmark	5/6/	11,684		10,181	11,019	11,878	12,235
France		33,000		27,256	34,079	38,623	40,895
Western Germany	6/7/	33,069	8/	24,993	34,833	36,852	38,140
Ireland		5,090		4,800	4,930	5,098	5,180
Netherlands		11,180		10,109	12,344	12,897	13,030
Norway	5/6/	2,954		3,116	3,433	3,567	3,550
Sweden	5/6/	10,238		10,245	10,064	10,097	9,845
Switzerland 9/	5/	6,041		5,079	5,838	5,961	6,190
United Kingdom		18,424		20,394	22,382	23,649	24,505
Argentina 10/	11/	6,515	8/	7,762	8,536	9,088	9,545
Australia 10/	4/	11,780		12,206	11,850	12,243	12,365
New Zealand 6/		10,176		9,487	11,108	11,763	11,072

1/ Cows' milk. 2/ Preliminary. 3/ Average 1935-39. 4/ For 1934. 5/ Average 1933-37. 6/ Years ending June 30. 7/ Average 1935-38. 8/ Average 1948-50. 9/ Includes Goats' milk. 10/ Excludes milk fed to calves. 11/ For 1938.

Foreign Agricultural Service. Prepared or estimated from official statistics, reports of U. S. Agricultural Attaches and other FAS representatives abroad, and other information.

Only 3 countries will show decreases from 1953, Norway, Sweden, and New Zealand. In Norway there was a decrease in cow numbers and a switch to beef production. In Sweden there was a reduction in forage crops. The successive record dairy years in New Zealand was brought to an end by severe drought followed by too heavy rainfall and flooding.

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CEYLON MAY GRANT TAX EXEMPTION TO ENCOURAGE MILK PRODUCTION

The Government of Ceylon is considering granting generous tax exemptions under the New Food Production Act in order to increase milk production in that country; the exemption would be given to land proprietors who are raising cattle for milk production.

The feasibility of the action is being investigated by a committee consisting of representatives of the Ministry of Food and Agriculture, the Planter's Association, and the Chairman of the recently created Milk Board. The Milk Board is striving to obtain a daily milk supply for Colombo, the capital city, of between 2,400 to 2,800 quarts which would be available at about 23 cents a quart. The milk, which would be distributed through cooperatives, would eventually reach 16,000 quarts daily.

The tax exemption schemes which are being studied are aimed at getting more milk produced and expediting its collection in the hill country. One proposal is to grant an exemption of one acre of food production liability for each 800 quarts of milk produced annually; only estates approved by the Milk Board would be eligible and the milk must be centrally collected on the estates and daily records maintained of production. Another proposal would allow participating estates to an exemption on the basis of the number of cattle maintained on the estate. Furthermore, an additional exemption would be allowed for capital expenditures necessary for increasing milk production and facilitating collection.

The acreage food production liabilities, on which the tax exemption would be granted, stem from the New Food Production Act which became effective on July 30. Under the act owners of tea and coconut estates of 35 acres or more are required to cultivate food crops on a proportionate area of land or pay an annual tax of approximately $2.10 per acre. Tea estates must cultivate 12 percent of its area with food crops for two seasons a year while coconut estates must cultivate 6 percent of its area for two seasons in order to exonerate the tax.

The proposal, reported in Foreign Crops and Markets of June 14, 1954, to allow the Milk Board to use Food Production Funds has been enacted into law.

DANES AND BRITISH AGREE ON BUTTER CONTRACT PRICE

An agreement has finally been reached between Danish and British representatives on the price of butter under the long-term bulk contract the United Kingdom has with Danish suppliers. Under terms of the agreement during 1954-55 the United Kingdom will take 75 percent of total Danish butter exports at a price of 6.32 kroner per kilogram (41.52 cents per lb.). The quantity arrangement is the same as last year, but the price represents a drop of about 3.75 percent from last year's price (43.12 cents per lb.). The reduction in price will mean a drop of $5 million dollars to Danish producers.

WORLD COTTON SUPPLY AND DEMAND, 1953-54

The world cotton supply and demand situation in 1953-54 was featured by a 2.1 million-bale rise (6 percent) in production, a record level of consumption in most foreign countries, a sharp increase in United States stocks, and liquidation of surplus stocks in nearly all foreign-exporting countries. Prices of most competitive foreign growths moved from early season discounts of 2 to 8 cents below, to a current level more nearly in line with prices of similar qualities of United States cotton. In the summary statement which follows, the estimates of production, trade, consumption, and stocks for 1953-54 and 1954-55 are preliminary and subject to revision.

Production

World production in 1954-55, tentatively estimated at 34.7 million bales (of 500 pounds gross) is down about 8.5 percent from the previous season's 37.9 million bales. United States production (October estimate) is down 24 percent mainly as a result of acreage restrictions while the total of the foreign Free World rose from 13.7 million to 14.7 million bales. Data for Communist countries are incomplete but advices indicate that unfavorable weather and reduced acreage in China may have reduced production in that country by about 250,000 bales, or about 8 percent. Reports from the Soviet Union indicate that irrigation was extended last year to about 750,000 additional acres of cotton, thus maintaining production at the 1953-54 level despite lower average yields.

Nearly all foreign countries reported substantial increases in acreage and production of cotton in 1954-55 as a result of favorable prices in relation to those available for alternative crops (mostly grains). Restriction of cotton acreage in the United States also was reported from many countries to have stimulated acreage increases abroad. The countries in which the greatest production increases occurred are Mexico, India, Egypt, and Brazil (estimate includes cotton now being planted in South Brazil).

Consumption

World consumption in 1953-54 reached a record high of 34.9 million bales, an increase of 1.5 million over the 1952-53 revised estimate. Totals shown by continents indicate the greatest increases in Asia where consumption rose substantially in practically all countries. The total for Asis was up from 10.2 to 11.5 million bales (both figures include estimates for China).

The total for Europe (excluding Communist countries) rose from 6,550,000 to 7,350,000 bales in 1954-55. The United Kingdom, France, and Western Germany accounted for most of the increase. However, all Western European countries except Italy, Spain, Yugoslavia, and the Scandinavian countries reported increases in consumption.

North American consumption was down from 10.2 to 9.3 million, with the United States and Canada accounting for all the decrease. In South America an increase from 1.6 to 1.7 million bales was distributed throughout most major countries. A small increase from 450,000 to 485,000 bales was reported for Africa, with Egypt as the principal consuming country.

Trade

World exports of cotton rose from 11.6 million bales in 1952-53 to 13.1 million in 1953-54, including an estimated increase of around 300,000 bales in exports from the Soviet Union. Increases in exports from the United States, Brazil, and the Anglo-Egyptian Sudan more than offset decreases from practically all other major sources.

Exports from most foreign countries moved freely during the first half of the 1953-54 year when prices of foreign growths were generally low in relation to those for United States cotton. The movement was slower in the last half of the season, however, as their stocks were depleted and prices rose to levels equal to or above those for United States cotton. Shipments of United States cotton were heavier in the last half of the season.

Brazil's exports were at an extraordinarily high rate after July 1953 when prices were reduced below world levels by special exchange rates and quantity discounts. The total of 1,412,000 bales for 1953-54 was among the highest on record and nearly equal to the 1953-54 crop.

Stocks

World stocks rose from 17.3 million bales on August 1, 1953, to 19.9 million a year later, an increase of 2.6 million. Stocks in the United States were up by nearly 4.0 million bales on August 1, 1954, while the total for foreign countries was down by 1.4 million. For the foreign Free World, the decrease is about 1.5 million bales.

Increases and decreases in stocks in the importing countries as a group were about equal, resulting in only a slight net decrease for the group. The same is true of Western Europe if considered as a separate group. The decrease of 1.5 million bales in foreign Free World stocks was in the exporting countries as a group and was evident in practically all exporting countries. There are no substantial surpluses of old-crop cotton remaining in foreign exporting countries, except Brazil and Egypt, where most of it on August 1, 1954, was sold and awaiting shipment.

Outlook

The surplus available for export from foreign Free World countries in 1954-55 apparently is lower than in 1953-54 by at least 700,000 bales, considering the decrease in stocks, the rise in production, and an uptrend in consumption in surplus-producing countries.

As the 1954-55 season begins, stocks in importing countries are generally low, consumption is still on a high level, restrictions on use of exchange have been removed or relaxed in many importing countries, dollar reserves are higher than those of a year ago, and there is more confidence in the stability of the current price level than at this time a year ago. Stocks in importing countries at their current low levels have little possibility for further decrease and price stability could result in some buying for inventory where stocks are now below normal.

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INCREASED PRODUCTION OF, AND COMPETITION
FROM CANADIAN FLUE-CURED TOBACCO

Recently, announced estimates of Canadian tobacco production for 1954 point to a further increase in competition with United States leaf in world markets. The latest estimate for the 1954 crop places total output at 178.5 million pounds; 168.4 million pounds will be flue-cured tobacco. This is an all-time high in both total and flue-cured tobacco production.

Flue-cured tobacco accounts for most of the Canadian tobacco exports. Principal foreign customers are the United Kingdom, British West Indies, Australia, the Netherlands and British Guiana. Significant quantities of Burley and dark leaf are shipped to the United Kingdom; small amounts of these types go to the British West Indies and Belgium.

DROUGHT CUTS GREEK
TOBACCO CROP

Excellent prospects in the Greek tobacco export situation caused a large increase in acreage planted to tobacco this year, but extremely dry weather cut production severely. During 1953, 220,000 acres produced about 136.3 million pounds of tobacco. In 1954, the same quantity is expected from 266,000 acres.

The reduction in the crop expected this year, together with the almost complete absence of old stocks, has forced up export prices to about 15-20 percent above last year's levels. Exportable tobacco stocks as of September 1, 1954 were about 134.5 million pounds. Exports through June 1954 were 42.4 million pounds.

ITALIAN LEMON
CROP LATE

This season's Italian winter lemon crop is late and the fruits are smaller than last year, according to a report from J. Henry Burke, Foreign Agricultural Service marketing specialist now in the Mediterranean citrus areas.

Lack of rain is responsible for slow fruit growth. While some lemons are now being picked, heavy export shipments of lemons from Sicily are not expected until November 15, about 3 weeks to a month later than last year. The fruit, even then, will still be smaller than last season, but the quality is expected to be better. Heavy Italian winter lemon supplies will therefore not be available in European markets until the last week in November or early December. October 10 export prices were $7.00 to $7.50 per box f.o.b. Sicily for "prima" grade lemons.

Italian oranges are also smaller than usual for this time of the year.

MODERATE INCREASE IN PERU'S 1954-55 COTTON CROP

Latest estimates of the 1954-55 cotton crop in Peru indicate production of all varieties of approximately 470,000 bales (500 pounds gross), an increase of about 6 percent over the 1953-54 production of 442,000 bales, according to George H. Day, U. S. Agricultural Attache, American Embassy, Lima.

Production of the Pima and Karnak varieties, harvested in July-September 1954, is estimated at 69,000 bales, a new record, approximately 50 percent higher than in 1953-54, but barely 2 percent greater than the previous record in 1949-50. Practically all of this increase was in the Pima crop (63,400 bales in 1954-55 and 40,000 in 1953-54). Production of 5,300 bales of Karnak was approximately the same as in the previous year, although considerably below the 10,800-bale crop in 1952-53. The 1954-55 crop of Tanguis cotton (harvest to begin April 1955) is estimated at 401,000 bales as compared with the 1953-54 crop of 396,000 bales.

Production of cotton in Peru by varieties, 1951-52 to 1954-55
(in bales of 500 pounds gross)

Year	Pima	Karnak	Tanguis and other	Total
1951-52	20,373	7,084	389,149	416,606
1952-53	43,470	10,758	395,632	449,860
1953-54	40,281	5,200	396,139	441,620
1954-55 1/	63,382	5,282	401,421	470,085

1/ Forecast.

Peru's cotton exports totaled 373,000 bales during the 1953-54 marketing year, about 7 percent below the exports of 398,000 bales in 1952-53. The reduction may be partially attributed to the low production of Pima cotton in 1953-54. Exports to the United States, practically all of Pima, declined sharply from 15,000 to 8,000 bales, in line with the decline in quantity and quality of the 1953 crop.

Exports to other countries during 1953-54 show the United Kingdom as principal importer, with purchases amounting to more than twice as much as either Belgium or Germany, the next largest buyers. Exports to Germany were more than 50 percent greater than those of a year earlier, while exports to Belgium declined slightly. Exports to Chile, which was the largest buyer in 1952-53 declined sharply in 1953-54. Exports to Columbia and Japan also declined. Quantities of the 1953-54 exports to principal destinations, with 1952-53 figures in parentheses were as follows: (in 500-pound gross bales) United Kingdom 96,000 (74,000); Belgium 42,000 (48,000); Western Germany 42,000 (30,000); Chile 33,000 (72,000); Colombia 20,000 (39,000) and Japan 13,000 (17,000).

Average prices received by producers for all grades of Peruvian Tanguis showed a sharp increase in the early months of the 1953-54 marketing year, and have since declined only slightly. The average for the year was about 20 percent greater than in 1952-53. The average price paid for Pima has shown a similar pattern of price change, with an average increase of about 17 percent over the previous year. Spot quotations in Lima on October 7, for certain types of Tanguis and Pima varieties were:

	Soles per net Spanish quintal	Equivalent U.S. cents per lb. Spot quotation	Export and other taxes 1/
Tanguis, Type 3-1/2	620	32.01	8.60
Tanguis, Type 5	590	30.46	7.02
Pima Type 1	760	39.24	7.72

1/ Not included in quotation

INCREASE IN MEXICO'S 1954-55 COTTON CROP

Mexico's 1954-55 cotton crop, now being harvested, is expected to reach a record level of 1.5 million bales (500 pounds gross), an increase of 24 percent over the production of 1,210,000 bales in 1953-54, according to Paul G. Minneman, Agricultural Counselor, American Embassy, Mexico City. Total acreage for harvest in 1954-55 is estimated at 1,815,000 acres, and the yield of cotton per acre at 407 pounds.

Domestic consumption of cotton in Mexico in the 1954-55 marketing season is expected to total about 350,000 bales, thus leaving more than 1.1 million bales available for export. No surplus stocks are available from previous crops. At prices just under United States' prices, a ready export market for the crop seems assured. Cotton exports including linters, and cottonseed cake, will bring in an estimated $200 million, again making cotton Mexico's leading export. Total exports of raw cotton in the year August 1953-July 1954 amounted to 911,000 bales as compared with 992,000 in the year 1952-53. (For additional information see "Mexico Harvesting Record Cotton Crop," Foreign Agriculture Circular FC 33-54, October 5, 1954).

WORLD COTTON PRODUCTION DOWN 8 PERCENT

World cotton production in 1954-55, tentatively estimated at 34.7 million bales (of 500 pounds gross), is down by 3.2 million bales or 8 percent from last year's revised estimate of 37.9 million. Production in the United States was down by nearly 4.0 million bales, mainly as a result of acreage restrictions, while production in foreign Free World countries rose by 1.0 million. United States acreage was reduced by over 5.0 million acres while foreign Free World acreage was increased by about 3.0 million acres.

In the 2 years prior to 1954-55 cotton acreage in most of the major foreign-producing countries was restricted in favor of "grow-more-food" programs or was voluntarily reduced by farmers because of more favorable prices for food crops and tobacco. The upturn in acreage in 1954-55 was attributed in recent reports to lower wheat prices because of heavy world stocks and to reduced United States cotton acreage coincident with liquidation of surpluses and rising prices of cotton in foreign countries.

COTTON: Acreage and production in specified areas, averages 1935-39 and 1945-49, annual 1952-54 1/

Continent and country	Acreage					Production 2/				
	Average					Average				
	1935-39	1945-49	1952	1953 3/	1954 3/	1935-39	1945-49	1952	1953 3/	1954 3/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
NORTH AMERICA										
El Salvador	9	35	71	54	73	5	21	45	54	60
Guatemala	-	8	22	27	-	2	5	16	28	-
Mexico	725	1,034	1,937	1,890	1,815	334	577	1,250	1,210	1,500
Nicaragua	9	11	80	100	165	5	7	61	100	130
United States	27,788	21,258	25,921	24,341	19,285	13,149	12,104	15,139	16,465	12,511
British West Indies	20	12	13	-	-	5	4	4	-	-
Haiti	-	37	40	40	-	22	10	7	7	-
Total 4/	28,642	22,403	28,111	26,487	21,443	13,523	12,730	16,533	17,878	14,252
EUROPE										
Bulgaria 5/	85	82	-	-	-	35	20	-	-	-
Greece	168	111	203	220	268	76	52	111	139	159
Italy	56	40	118	124	-	21	11	32	35	35
Rumania 5/	8	102	-	-	-	2	-	-	-	-
Spain	46	130	150	200	185	10	18	65	75	70
Yugoslavia	8	-	18	17	18	3	-	3	4	4
Total 4/	372	511	689	891	926	147	127	256	323	338
U.S.S.R. (Europe and Asia)	5,087	3,697	-	-	-	3,430	2,328	-	-	-
ASIA										
Aden	-	-	11	23	-	-	-	9	17	-
Cyprus	11	5	13	-	-	3	1	3	-	4
Iran	453	239	450	555	600	171	85	165	230	207
Iraq	53	22	125	51	100	11	5	13	17	38
Syria	85	59	457	370	445	28	32	207	220	275
Turkey	667	645	1,669	1,473	1,325	249	268	690	600	600
Afghanistan	-	-	-	-	-	49	16	62	60	40
Burma	428	178	450	400	400	97	32	110	95	80
China (incl. Manchuria)	7,038	5,831	9,350	10,200	9,600	2,855	1,939	2,900	3,200	2,950
French Indochina	36	-	-	-	-	6	2	-	-	-
India	6/ 24,204	11,306	15,693	17,027	19,000	6/ 5,348	2,304	3,005	3,730	3,900
Korea 7/	564	344	225	-	-	198	89	74	-	-
Indonesia	27	-	-	-	-	9	4	-	2	-
Pakistan	6/	2,965	3,467	3,000	3,000	6/	1,024	1,525	1,215	1,200
Thailand	16	84	97	101	-	7	26	32	39	-
Total 4/	33,805	21,827	32,158	33,614	35,000	9,038	5,835	8,809	9,516	9,442

SOUTH AMERICA										
Argentina	770	962	1,316	1,300	1,300	289	427	575	600	600
Brazil	5,562	4,520	4,500	4,000	4,500	1,956	1,352	1,560	1,465	1,700
Colombia	98	-	200	225	-	23	27	50	90	133
Ecuador	40	41	31	-	-	13	11	10	12	-
Paraguay	111	123	130	150	-	40	47	53	62	-
Peru	428	345	482	519	519	379	308	450	442	470
Venezuela	50	-	35	30	-	11	11	12	13	18
Total 4/	7,060	6,177	6,698	6,265	6,836	2,711	2,184	2,711	2,686	2,996
AFRICA AND OCEANIA										
Anglo-Egyptian Sudan	439	371	620	652	-	248	246	386	400	-
Belgian Congo	874	745	900	910	-	172	195	208	220	-
Kenya	-	51	56	87	90	13	6	8	9	10
Nyasaland	84	-	-	-	-	12	8	13	13	-
Tanganyika	-	-	-	-	-	50	38	65	42	67
Uganda	1,477	1,324	1,468	1,611	1,600	281	227	267	331	320
Canary Islands	-	2	7	5	-	-	1	6	3	-
Egypt	1,821	1,367	2,042	1,375	1,639	1,893	1,456	2,047	1,461	1,600
French Equatorial Africa	390	-	-	-	-	41	104	130	130	-
French North Africa	1	5	35	30	-	8/	2	17	13	-
French West Africa	-	-	-	-	-	28	14	35	40	-
Mozambique	-	557	700	800	-	9/ 33	104	185	145	150
Nigeria	-	-	-	-	-	36	48	90	135	135
Angola	73	-	-	-	-	13	24	29	31	29
Southern Rhodesia	2	5	-	-	-	8/	2	3	2	-
Union of South Africa	-	12	80	60	-	2	3	32	19	30
Australia	53	5	10	8	-	11	1	4	3	-
Total 4/	6,176	5,710	7,674	7,243	7,595	2,840	2,483	3,531	3,007	3,177
World total 4/	81,142	60,325	82,130	81,500	78,800	31,689	25,687	35,840	37,910	34,705

1/ Years refer to crop years, beginning August 1, in which major portion of crop was harvested. 2/ Production in bales of 478 pounds net prior to 1946 and 480 pounds thereafter. 3/ Preliminary. 4/ Includes estimates for minor-producing countries not listed above and allowances for other figures not available. 5/ Figures for 1943 to date are not comparable with prewar figures because of boundary changes. 6/ Pakistan included with India. 7/ South Korea only, after 1941. 8/ Less than 500. 9/ Exports.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics, reports of United States Foreign Service officers and results of office research.

Further cotton acreage expansion is already planned and goals announced by the Governments of Pakistan, India, and Egypt. Further expansion is planned by farm groups and other private agencies in nearly all Latin American countries, the Middle East, and West Africa.

Higher average yields have been noted in most foreign countries as well as in the United States during the past 3 years, largely as a result of expanded irrigation, greater use of fertilizers, and improved methods of cultivation and insect pest control. Expansion of irrigation has been greatest in Mexico, Pakistan, Turkey, and other countries of the Middle East. Fertilizers have been used more extensively in Pakistan, India, and the Middle East. Greater use of power equipment and insecticides has been most evident in Mexico, Central America, and the Middle East. Prices currently available to foreign cotton growers appear to be sufficiently high to stimulate further investment in land, irrigation, and equipment.

Production in non-Communist foreign countries declined in 1953-54 by less than 100,000 bales to 13,675,000, then rose in 1954-55 to 14,675,000 bales. Production estimates are not available for all Communist countries, but the total for the group is estimated to have increased from about 6,950,000 bales in 1952-53 to 7,770,000 in 1953-54 due to apparent increases in the Soviet Union and China and declined to 7,520,000 bales in 1954-55, mainly in China. The apparent increase, estimated at 500,000 bales in Soviet Union production in 1953-54, was reflected in a reduction of nearly 200,000 bales in imports (as shown by export data of other countries) and an increase of over 100,000 bales in exports of Russian cotton to Western Europe.

The estimate of total world production of 34.7 million bales in the 1954-55 season includes estimates for Southern Hemisphere countries where crops (accounting for about 8 percent of the world total) are only now being planted. Estimates of the outturn of these crops are obviously subject to a considerable margin of error. If, however, they may be accepted tentatively, it would appear at this time that notwithstanding the extensive curtailment of production in the United States the world crop of 1954-55 is only about 200,000 bales less than the record world consumption of 34.9 million bales in 1953-54.

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U.S. LOSING CONDENSED MILK MARKET IN PHILIPPINES

The American Embassy in Manila reports that the United States is losing the condensed milk import market of the Philippines; taking the place of the United States as principal supplier is the Netherlands. In 1953 the United States shipped 95 percent of its 18 million pounds condensed milk exports to the Philippines.

On the basis of import data for the first 5 months of 1954, just released in the Philippines, imports of condensed milk from the United States amounted to 970,000 pounds or about 9 percent of the total shipments of 10.6 million pounds received during the January-May 1954 period. During the same months in 1953 the imports of condensed milk from the United States amounted to 8.4 million pounds or almost 92 percent of total receipts of 9.2 million pounds.

This year imports from the Netherlands during the first 5 months totaled 9.6 million pounds, or 90 percent of all shipments received; last year the Netherlands supplied less than 8 percent of all condensed milk during the first 5 months.

The price factor apparently is causing the swing to the Dutch condensed milk. On May 30, 1954 the wholesale price of the Dutch product was 28 cents per pound, while that of United States milk was 34 cents per pound. At retail, the difference of about 6 cents per pound was maintained with condensed milk from the United States bringing up to 37.1 cents per pound as compared to a top price of 31.4 cents for the Dutch item.

The United States is maintaining its ratio of more than 90 percent of the 45-million-pound evaporated milk market because of Philippine preference for the product and because the price of the United States product is more in line with the Dutch item. On May 30, 1954 United States evaporated milk was bringing 19.5 cents per pound at wholesale compared to about 18 cents for the Dutch milk; the 1.5 cents difference was also maintained at the retail level. However, the loss of the condensed milk market in the Philippines represents an export loss of almost 40 million pounds of whole milk on an equivalent basis.

Part of the reason for the loss may be attributed to the pricing differentials between the two countries on evaporated and condensed milk. In July 1954 Dutch export quotations on an f.o.b. basis for evaporated milk was 11.03 cents per pound and on condensed milk 13.07 cents, a difference between the varieties of 2.04 cents. In the United States evaporated milk on a wholesale carlot basis was as low as 11.7 cents per pound, but condensed milk was selling for 25.7 cents, a difference of 14 cents per pound between the varieties.

FRANCE MAY ESTABLISH NATIONAL COMMITTEE
OF VEGETABLE OIL PRODUCERS

The formation in France of a National Committee of Vegetable Oil Producers similar to the National Committee of Meat Producers was among the measures recently being prepared by the Agriculture Ministry, according to information available to the Foreign Agricultural Service.

The Government believes that colza (rapeseed) production should be greatly expanded since it can easily replace beet growing. French production of industrial vegetable oils is below estimated requirements of 88,000 short tons, which last year made it necessary to import 55,000 tons. (See Foreign Crops and Markets of July 12, 1954, page 40.)

INDIA'S PEANUT ACREAGE
UP 6 PERCENT IN 1954-55

India's first official estimate of the planted area in peanuts in 1954-55, which forms roughly 60 percent of the total crop finally reported, is 8,242,000 acres, according to information available to the Foreign Agricultural Service. This is an increase of 6 percent from the corresponding figure for 1953-54 of 7,765,000 acres.

The increase in the acreage under peanuts has occurred mainly in Saurashtra, Bombay, Andhra, Madhya Bharat and Madras and has been attributed generally to adequate and timely rainfall at the time of planting.

The information given in the first estimate covers the period up to the end of July 1954. As of that date the condition of the crop was reported to be generally satisfactory.

PHILIPPINE COPRA EXPORTS
DROP IN SEPTEMBER

Philippine copra exports during September 1954 totaled 73,188 long tons, a decline of 10 percent from the previous month but 15 percent above the volume shipped in September 1953. Total shipments during January-September 1954 amounted to 551,109 tons or 35 percent more than the 406,972 tons exported in the comparable period of 1953.

The breakdown of the September copra exports by country of destination is as follows: United States--24,304 tons (Atlantic-1,148, Gulf-2,000, Pacific-21,156); Canada--500; Belgium--1,300; Denmark--6,000; Germany--8,200; Italy--3,500; the Netherlands--18,700; Norway--2,250; Israel--1,500, Europe unspecified--584; Colombia--2,250; Venezuela--3,600; and South America unspecified--500 tons.

September exports of coconut oil amounted to 7,663 tons compared with 6,495 tons in August and 7,080 tons in September 1953. The January-September total was 47,764 tons against 39,063 in 1953. All of the September shipments of coconut oil went to the United States (Atlantic).

On a copra equivalent basis, exports of copra and coconut oil January through September of this year totaled 626,925 tons, or one-third more than the 468,977 tons exported in the same months of 1953.

The copra export price in mid-September was $175.00 per short ton, c.i.f. Pacific. Local buying prices in Manila were 26.00 to 30.50 pesos per 100 kilograms ($132.09 to $154.95) per long ton.

INDIA'S SESAME ACREAGE
UP SLIGHTLY

The first official estimate of the area planted to sesame in India in 1954-55, which comprises roughly 55 percent of the total acreage finally reported, is 3,706,000 acres. According to the information available to the Foreign Agricultural Service, this represents an increase of 1.2 percent from the corresponding estimate of 3,663,000 acres in 1953-54.

The increase in acreage, mainly in the states of Rajasthan, Saurashtra, Bombay and Madras, has been attributed to favorable weather at the time of planting. These increases, however, were partly offset by reduced acreages in other states, particularly Hyderabad.

The first estimate is made on the basis of information available up to the end of July 1954. As of that time, the condition of the crop was reported to be generally satisfactory.

PANAMA DECREES SHARP INCREASE IN
IMPORT DUTIES OF FATS AND OILS

Panamanian decree 28 of September 23 sharply increased the import duty on most animal and vegetable fats, oils and detergents. Several oils and soaps remained unchanged or were reduced or increased slightly. The bulk of the changes, however, resulted in increases of 100 percent or more. The law becomes effective 60 days after official publication, with price control authorized to protect the consumer price wise.

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PUBLICATIONS RELATING TO U.S. FOREIGN AGRICULTURAL TRADE

Issued recently and available free upon request from the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D. C.

Cuba as a Market for United States Agricultural Products. FAR No. 81.

(Continued on next page)

Foreign Agriculture magazine, October, 1954 issue.

Tobacco Production and Trade of the Federation of Rhodesia and Nyasaland. FT 36-54.

F A S Agriculturist Inspects West Africa Cocoa-Producing Areas. FCB 25-54.

Tropical Products News Notes (Coffee, Cocoa, Tea). FCB 26-54.

LATE NEWS

The British Board of Trade announced October 6 that arrangements had been made for private imports of a limited quantity of carcass beef originating in the United States to be purchased with dollars made available by the United States under the Mutual Security Act. (See Foreign Crops and Markets, October 4, 1954.) The beef available for purchase will consist solely of frozen dressed carcasses of the United States Commercial and Utility grades. Applications to import specific quantities of beef under these arrangements will be considered from traders who can provide evidence that they can contract directly with United States packers by October 31 for supplies of Commercial and Utility beef to be shipped from a United States port. United Kingdom firms will import on their own account and make payment direct to United States packers. Licenses will be valid for imports between December 1, 1954 and February 21, 1955, both dates inclusive.

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Pakistan's first official cotton estimate for the year 1954-55 places the area under cultivation at 2,824,000 acres (2,373,000 acres American and 451,000 acres Desi varieties) as compared with 3,067,000 acres (2,686,000 acres American and 381,000 acres Desi varieties) reported in the first estimate for the 1953-54 crop. Estimates made by private sources in Pakistan show the 1954-55 acreage as 8 to 15 percent higher than in 1953-54.

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Cotton-mill consumption in Canada during September 1954 amounted to 31,000 bales, compared with 25,000 for the previous month and 32,000 for September 1953.

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The Government of India announced on October 12, 1954, an initial cotton export quota of 100,000 Indian bales (82,000 bales of 500 lbs.) for the 1954-55 marketing season. The total of 82,000 bales shown, by varieties, is as follows: Bengals 40,800 bales; Mathias, Kalagins, Dholleras 20,400 bales, and Central India, C.P.I, C.P.II, and Oomra desi not exceeding 11/16-inch staple, 20,400 bales.

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